



# Department of Justice

FOR IMMEDIATE RELEASE  
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## **NEW JERSEY AMMUNITION MANUFACTURER CHARGED WITH BID RIGGING**

WASHINGTON, D.C. -- A New Jersey ammunition manufacturer was charged today by the Department of Justice with conspiring to rig bids on sales of components for ammunition produced at the Milan Army Ammunition Plant (MAAP) in Milan, Tennessee.

The Department, in a one-count felony charge filed today in U.S. District Court in Jackson, Tennessee, said Charles E. Green & Son Inc., of Newark, New Jersey conspired to rig bids on sales of components for ammunition produced at the Milan Army Ammunition Plant in violation of the Sherman Act. The conspiracy began in 1988 and continued until 1994, the Department said.

"Those who conspire to corrupt the procurement functions essential to our country's defense should expect to face criminal charges," said Joel I. Klein, Assistant Attorney General in charge of the Antitrust Division.

According to the charges, Charles E. Green & Son Inc. and co-conspirators devised a scheme to create the illusion of competition by submitting intentionally high, complementary bids to Martin Marietta for components needed for the manufacture of ammunition. The charge resulted from a grand jury investigation in Jackson, Tennessee into procurement practices at the Milan Army Ammunition Plant. The investigation is continuing.

Thus far, eight cases have resulted from the ongoing investigation conducted by the Department's Antitrust Division, the U.S. Attorney's Office for the Western District of Tennessee, the Criminal Investigation Division of the U.S. Army, the Defense Investigative Service, the Defense Criminal Investigative Service, the Federal Bureau of Investigation, and the Criminal Investigation Division of the Internal Revenue Service.

The maximum penalty for a corporation convicted of a violation of the Sherman Act is a fine of \$10 million, twice the gross pecuniary gain derived from the crime, or twice the gross pecuniary loss caused to the victims of the crime, whichever is greatest.

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